

ARLINGTON FINANCE COMMITTEE
MINUTES OF MEETING
7:30PM O'NEIL ROOM COMMUNITY SAFETY BUILDING
2/8/12

ATTENDEES:

Bayer*	Padaria	Jenkins*	White*	McKenna*
DeCoursey	Connors*	Simmons*	Gibian*	
Tosti*	Foskett*	Deyst*	Ronan	
Ferrara*	Beck*	Jones*	Deshler*	
Franclemont*	Howard*	Fanning*	Carman*	Turkall*

* Indicates present

VISITORS: Town Manager Brian Sullivan, Deputy Town Manager Adam Chapdelaine, Carl Wagner, Linda Hanson, ACMI Video Camera

MINUTES: The minutes of 2/6 were accepted as corrected. Unanimous.

NOTE: The articles in the preliminary Warrant received at the previous meeting were not numbered. For the purposes of these minutes they are numbered sequentially.

ART 54 PARKING STUDY: Wagner stated, using Ref 1, that he would like the Town Meeting to request the Town to put in parking meters using new technology primarily in order to make parking more available to shoppers and secondarily to raise funds.

Members asked if the parking police were doing the job. The FinCom requested Wagner discuss w/ the Parking Clerk and the Manager to get a better idea of the costs involved & the benefits. Later the Town Manager said a study would be needed to recommend where & what kind of meters & where they should go and how much they should charge. He estimated the study would cost around \$35k.

FIVE YEAR PLAN: Sullivan walked the FinCom through the spreadsheet handout (Ref 2). With the override & GIC and a 3.5% cap on budget increases, the plan shows balanced budgets through 2016. Symmes revenues will be used to pay Symmes capital costs. Revenues include the increase on CH 70 funds according to the Governor's budget. Free cash is up in FY13 as a side effect of the school overrun in FY11. Local receipts are reduced because of a change in the law governing reimbursements. In addition to the 3.5% operating budget cap, the plan assumes a 6% pension increase cap and a 7% health insurance increase cap. The MBTA increase is assumed to be 8%. Sullivan expects employees to be pleasantly surprised by the GIC plans.. The HRA will help with the large copays. The Town plans to fund the HRA annually as the initial funding is depleted. Many employees chose the HMO plans. There were 45 employees who opted out of the GIC. The employees received a 1% salary increase effective Jan 1 of this year as part of the GIC settlement.

WARRANT:

ART 2 SPECIAL TM AMENDMENTS TO FY12 BUDGETS: Using Ref 3, Sullivan suggested 3 uses for the \$464K local aid supplement. The money could also be allowed to flow into free cash.

ART 57 SENIOR CENTER FURNITURE: Sullivan recommends that the advocates work with the Planning Dept & the Human Resources Dept to accomplish this refurbishment.

ART 55 HARRY BARBER PROGRAM: Sullivan stated that the individuals employed under this program do useful & needed work.

ART 46 MM TECH BUILDING FUND: Sullivan stated that the Town should not support this fund unless the school can attract a sustainable enrollment. The MM Superintendent will come to our next mtg. A representative of the BoS will be invited.

ART 36 CDBG Tosti urged the Town to develop a plan to cover the possible loss of these funds.

ART 34 ANTENNA LICENSES: Sullivan provided a draft vote and backup info (REF 4)

ART 32 & 33 FINANCE CONSOLIDATION: FinCom requested a draft vote by 3/31.

ART 29, 30, 31 BENEFITS FOR ELDERLY RESIDENTS: FinCom will request fiscal impact from BoS.

ART 28 STREET NAME STANDARDIZATION: Sullivan stated that the purpose is to eliminate confusion between various existing data bases. (for example Mass Ave vs Massachusetts Ave vs Mass Avenue etc). He will look into cost of replacing signs.

ART 26 SECOND WATER METERS: Sullivan thinks this will shift sewer expense to residents who use less water.

ART 17 NEWSPAPER BINS Sullivan would like to deal with ugly unused bins by requiring an annual permit.

SYMMES: Sullivan said the developer has pulled a \$100k building permit to start the project. A permit request for an assisted living facility is being prepared.

APPRECIATION: The FinCom thanked Sullivan for his excellent support during his time in office with loud & sustained applause.

COMMITTEE: Next mtg 2/15.

RESERVE FUND BALANCE: \$620,000

Peter Howard 2/12/12

cc FinCom Members, Town Web Site

Ref 1 Paid Parking Article

Ref 2 Five Year Projection

Ref 3 FY12 Supplemental Local Aid Recommendations

Ref 4 Draft Antenna License Vote

Ref 1

Paid Parking Article for 2012 Town Meeting

Proposed by Carl Wagner, TMM, Precinct 11

Article Purpose:

- Seeks to gain TM support to ask town officials to study and potentially implement paid parking.

Why now/here?

- Efficiency: Use modern technology to better allocate prime short term parking spots to the drivers that need them, following the lead of many comparable towns and cities in the metropolitan area.
- Tax Relief: Revenue from implementation of this (use/allocation) system could help avoid rising (property) taxes.

My Goals for Town Officials:

- Implement probably along Mass Ave, in Heights, Center and Capitol Theater area
- Should be mildly revenue positive to the town
- Should probably be priced higher than lot parking (we currently charge NOTHING for our prime parking, but charge for our lot parking)
- Will be a positive for Arlington's many businesses and encourage increased traffic for future business – increasing availability by charging a nominal amount for the use of spots outside and near popular stores and restaurants.

Questions for Town Officials:

- Does a comparative study of what other towns/cities are using exist?
- Should 3rd party meter 'maids'/ticketing be used?
- Does the system proposed minimize fraud, vandalism, complexity?

Notes:

Montreal has a system where there is one 'meter' per city block. A driver notes the numbered spot s/he is at, approaches the meter and types in the spot number and time and pays by credit or debit card (or coins). No slip of paper is required, though a receipt is printed showing that s/he paid for the spot and at what time the car needs more money or must be moved. Users find the system easy, the price is moderate, the city likes the system because it's relatively easy to maintain.

Thanks for your time!

Draft Five Year Projection 2013-2017
2/8/2012
For Discussion at Finance Committee Meeting

Ref 2

	FY 12 Town Meeting	FY 2012	FY 2013	Dollar Change	Percent Change	FY 2014	Dollar Change	Percent Change	FY 2015	Dollar Change	Percent Change	FY 2016	Dollar Change	Percent Change	FY 2017	Dollar Change	Percent Change
I REVENUE																	
A. State Aid	13,449,672	13,420,743	14,574,468	1,153,725	8.60%	14,715,027	140,559	0.96%	14,856,991	141,964	0.96%	15,000,375	143,384	0.97%	15,145,193	144,818	0.97%
School Construction Aid	2,531,085	2,531,085	2,474,796	(56,289)	-2.22%	2,474,796	0	0.00%	2,474,796	0	0.00%	2,474,796	0	0.00%	2,474,796	0	0.00%
SFSF				0													
IDEA Funds				0													
B. Local Receipts	8,910,000	8,910,000	8,590,000	(320,000)	-3.59%	8,505,000	(85,000)	-0.99%	8,555,000	50,000	0.59%	8,605,000	50,000	0.58%	8,655,000	50,000	0.58%
C. Free Cash/Muni Building Trust	481,456	481,456	600,000	118,544	24.62%	1,000,000	400,000	66.67%	750,000	(250,000)	-25.00%	750,000	0	0.00%	750,000	0	0.00%
D. Overlay Reserve Surplus	200,000	200,000	200,000	0	0.00%	200,000	0	0.00%	200,000	0	0.00%	200,000	0	0.00%	200,000	0	0.00%
E. Property Tax	95,077,262	95,002,494	97,746,811	2,744,317	2.89%	100,373,525	2,626,714	2.69%	103,085,285	2,711,760	2.70%	105,854,055	2,768,770	2.69%	108,696,422	2,842,367	2.69%
F. Override Stabilization Fund									839,064			3,548,148			3,388,209		
TOTAL REVENUES	120,649,475	120,545,778	124,186,075	3,640,297	3.02%	127,268,348	3,082,273	2.48%	130,761,136	3,492,788	2.74%	136,432,374	5,671,238	4.34%	139,309,620	2,877,246	2.11%
II APPROPRIATIONS																	
A. Operating Budgets																	
School	42,536,436	42,681,436	44,642,598	1,961,162		46,705,113	2,062,515		48,874,818	2,169,705		51,157,914	2,283,096		53,560,992	2,403,078	
SFSF & IDEA																	
General Education Costs	29,184,660	29,329,660	30,356,198	1,026,538	3.50%	31,418,665	1,062,467	3.50%	32,518,318	1,099,653	3.50%	33,656,459	1,138,141	3.50%	34,834,436	1,177,976	3.50%
Special Education Costs*	13,351,776	13,351,776	14,286,400	934,624	7.00%	15,286,448	1,000,048	7.00%	16,356,500	1,070,051	7.00%	17,501,455	1,144,955	7.00%	18,726,557	1,225,102	7.00%
Net School Budget	42,536,436	42,681,436	44,642,598	1,961,162	4.59%	46,705,113	2,062,515	4.62%	48,874,818	2,169,705	4.65%	51,157,914	2,283,096	4.67%	53,560,992	2,403,078	4.70%
Minuteman	2,352,988	2,352,988	3,087,595	734,607	31.22%	3,195,661	108,066	3.50%	3,307,509	111,848	3.50%	3,423,272	115,763	3.50%	3,543,086	119,815	3.50%
Town																	
Personnel Services	21,499,052	21,995,552	22,970,278	974,726	4.43%	23,812,134	841,856	3.66%	24,733,894	921,760	3.87%	25,875,462	1,141,568	4.62%	27,058,736	1,183,273	4.57%
Expenses	9,160,916	9,160,916	9,210,916	50,000	0.55%	9,260,916	50,000	0.54%	9,310,916	50,000	0.54%	9,360,916	50,000	0.54%	9,410,916	50,000	0.53%
Less Offsets:																	
Enterprise Fund/Other	1,634,410	1,634,410	1,691,614	57,204	3.50%	1,750,821	59,207	3.50%	1,812,100	61,279	3.50%	1,875,523	63,423	3.50%	1,941,166	65,643	3.50%
Tip Fee Stabilization Fund	450,000	450,000	400,000	(50,000)	-11.11%	179,514	(220,486)	-55%	0	(179,514)	-100%	0	0	0	0	0	0
Net Town Budget	28,575,558	29,072,058	30,089,580	1,017,522	3.50%	31,142,715	1,053,135	3.50%	32,232,710	1,089,995	3.50%	33,360,855	1,128,145	3.50%	34,528,485	1,167,630	3.50%
MWRA Debt Shift	5,593,112	5,593,112	5,593,112	0	0.00%	5,593,112	0	0.00%	5,593,112	0	0.00%	5,593,112	0	0.00%	5,593,112	0	0.00%
B. Capital budget																	
Exempt Debt Service	2,836,327	2,836,327	2,680,466	(155,862)	-5.50%	2,579,598	(100,868)	-3.76%	2,495,587	(84,011)	-3.26%	2,398,691	(96,896)	-3.88%	2,303,751	(94,940)	-3.96%
Non-Exempt Service	5,184,398	5,184,398	5,187,898	3,500	0.07%	5,717,785	529,887	10.21%	5,557,330	(160,455)	-2.81%	5,816,402	259,072	4.66%	6,346,016	529,614	9.11%
Cash	1,033,400	1,033,400	1,391,682	358,282	34.67%	1,330,106	(61,576)	-4.42%	1,396,650	66,544	5.00%	1,370,956	(25,694)	-1.84%	1,296,625	(74,331)	-5.42%
Minus Capital Carry Forward	(209,300)	(209,300)	(103,796)			(125,200)	(21,404)	20.62%	(127,216)	(2,016)	1.61%	(152,005)	(24,789)	19.49%	(159,938)	(7,933)	5.22%
Total Capital	8,844,825	8,844,825	9,156,250	311,425	3.52%	9,502,289	346,040	3.78%	9,322,351	(179,938)	-1.89%	9,434,044	111,693	1.20%	9,786,454	352,410	3.74%
C. Pensions	7,329,440	7,329,440	7,710,766	381,326	5.20%	8,173,412	462,646	6.00%	8,663,817	490,405	6.00%	9,183,646	519,829	6.00%	9,734,664	551,019	6.00%
D. Insurance	18,063,010	16,483,109	15,728,970	(754,139)	-4.58%	16,484,604	755,634	4.80%	17,638,526	1,153,922	7.00%	18,873,223	1,234,697	7.00%	20,194,349	1,321,126	7.00%
E. State Assessments	2,846,071	2,846,071	2,970,269	124,198	4.36%	3,044,526	74,257	2.50%	3,120,639	76,113	2.50%	3,198,655	78,016	2.50%	3,278,621	79,966	2.50%
F. Offset Aid - Library & School	62,085	62,085	61,138	(947)	-1.53%	61,138	0	0.00%	61,138	0	0.00%	61,138	0	0.00%	61,138	0	0.00%
G. Overlay Reserve	600,000	600,000	800,000	200,000	33.33%	600,000	(200,000)	-25.00%	600,000	0	0.00%	800,000	200,000	33.33%	600,000	(200,000)	-25.00%
H. Other Crt Jdgmnts/ Deficit/ symmes	584,000	621,741	700,000	78,259	12.59%	700,000	0	0.00%	700,000	0	0.00%	700,000	0	0.00%	700,000	0	0.00%
I. Warrant Articles	658,811	657,311	691,242	33,931	5.16%	646,515	(44,727)	-6.47%	646,515	0	0.00%	646,515	0	0.00%	646,515	0	0.00%
J. Override Stabilization Fund	2,603,139	3,401,602	2,954,555			1,419,263											
K. TOTAL APPROPRIATIONS	120,649,475	120,545,778	124,186,075	3,640,297	3.02%	127,268,348	3,082,273	2.48%	130,761,135	3,492,787	2.74%	136,432,374	5,671,239	4.34%	142,227,417	5,795,043	4.25%
BALANCE		(0)	(0)			0			0			0			(2,917,797)		
Single Year Deficit			(0)			0			0			(0)			(2,917,797)		
Reserve Balances																	
Free Cash		4,378,542	2,000,000			2,000,000			2,000,000			2,000,000			1,500,000		
Stabilization Fund		2,557,316	2,634,036			2,713,057			2,794,449			2,878,282			2,964,631		
Override Stabilization Fund		3,401,602	6,356,157			7,775,420			6,936,356			3,388,209			0		
Tip Fee Stabilization Fund		562,635	179,514			0			0			0			0		
Municipal Bldg Ins. Trust Fund		833,415	858,418			884,170			910,695			938,016			966,157		
TOTAL:		11,733,511	12,028,125			13,372,647			12,641,500			9,204,507			5,430,787		
% of General Fund Revenue		9.7%	9.7%			10.5%			9.7%						3.9%		

Reserve Balances as of October 31, 2011
Free cash certified by DOR 9/19/2011
*Plan projects SPED costs at 7%, actual appropriated amounts may be less.

Finance Committee Meeting 2/8/2012 – Budget Information for Discussion

FY2012 Budget Amendments

Insurance Appropriation Reduction

Due to the January 1, 2012 transition of employee health insurance to the Group Insurance Commission, the FY2012 health care appropriation can be reduced to fund both collective bargaining settlements and increase the appropriation to the override stabilization fund. The anticipated reduction in the appropriation is \$1,579,900. A breakdown of this can be found below.

Collective Bargaining Appropriations

Contracts have been settled through FY2012 with all bargaining units except Police and Fire. These settlements include a 2% wage increase that was effective June 30, 2011 for AEA, SEIU, Librarians, and non-union employees which was funded by the 2011 Annual Town Meeting. They also include a 2% wage increase for AFSCME effective on September 1, 2011 and a 1% wage increase effective on 1/1/2012 for AEA, AAA, AFSCME, SEIU, Librarians and non-union employees, for which funding will be requested at the 2012 Special Town Meeting. Along with that request, funding will be requested to be held in a collective bargaining article to fund potential agreements with Police and Fire. The projected funding request at the 2012 Special Town Meeting is \$640,000, of which \$145,000 will be for the School Department.

Override Stabilization Fund

The amount remaining after funding the Collective Bargaining agreements projects to be \$798,463. The Manager's current proposal is to appropriate this balance into the override stabilization fund.

Health Care Reduction and Projected Distribution	
Projected Health Savings	\$1,579,900
Projected Wage Settlements	(\$640,000)
Projected Appropriation to OSF	(\$798,463)
Revenue Difference from TM	(\$103,697)
Increase in Other Deficits to be Raised	(\$37,740)
Total	\$0

Finance Committee Meeting 2/8/2012 – Budget Information for Discussion

FY2012 Supplemental Local Aid

The final close-out of the State's fiscal 2011 budget triggered a one-time municipal aid payment to cities and towns of \$65 million to restore all of the Unrestricted General Government Aid that was cut from the main fiscal 2012 state budget act. This distribution was triggered due to departmental budget turn backs at the State Level. Arlington's share of this one-time payment was **\$463,969**. The following list outlines the proposed uses for these funds.

Energy Conservation Measure Fund - \$200,000

This year, as a means of making more Energy Conservation Measures (ECM's) possible, an energy conservation measure fund is being proposed. Such a fund would need to be created through home rule legislation. This fund would be initially capitalized with an appropriation of \$200,000 from the supplementary local aid, and then recapitalized in the future by depositing energy rebates earned from projects back into the fund. Such a fund would allow for ECM's to be implemented in an expedited fashion, and thereby quicken the process of reducing overall energy usage.

Minuteman High School Emergency Repairs - \$130,000 (projected)

Due to existing facilities conditions that were found to be in violation of the building code by the Town of Lexington, emergency repairs were performed during the course of FY2012. These repairs were not budgeted and therefore an additional appropriation is being sought by Minuteman. Arlington's portion of the repair costs projects to be \$130,000 and a final figure is expected to be received from Minuteman in the near future.

Stratton Renovation Additional Funding - \$130,000 (projected)

As part of the Phase 2 Stratton School renovation, which has received approximately \$700,000 in MSBA reimbursements, an estimated \$130,000 in additional work was performed that exceeded the existing project appropriation. This work was supported by the School Department's operating budget with the understanding that Town Meeting would be asked to reimburse these expense in the spring of 2012. This project is near closeout, and once closed out, a final funding request will be submitted for approval.

DRAFT
AN ACT AUTHORIZING THE TOWN OF ARLINGTON TO
DIRECT PROCEEDS FROM WIRELESS COMMUNICATIONS
ANTENNA LEASES TO PARK UPKEEP

Section 1. For purposes of this Act, the term “Wireless Antenna Lease Proceeds” means (1) all proceeds for leases of real property by the town of Arlington for the erection of wireless communication antennas or related structures in accordance with section 3 of chapter 40 of the General Laws, chapter 44 of the Acts of 1998, or otherwise; (2) all proceeds paid to the town of Arlington by the Massachusetts Water Resources Authority by operation of section 112 of chapter 11 of the Acts of 1997; and (3) any other proceeds paid to the Town of Arlington by reason of leases of real property within the Town for the erection of wireless communications antennas and related structures.

Section 2. Notwithstanding the provisions of section 53 of chapter 44 of the General Laws or any other general or special law to the contrary, Wireless Antenna Lease Proceeds shall be devoted to the care, maintenance, upkeep, enhancement, or improvement of park, playgrounds, or other open space in town. The treasurer of the town of Arlington is hereby authorized to keep Wireless Antenna Lease Proceeds in a separate account and may invest and reinvest such proceeds and place any interest in said separate account. Any annual or special town meeting of the town of Arlington may appropriate funds from Wireless Antenna Lease Proceeds only for such previously described use unless said town meeting votes another use by a two-thirds margin. The town treasurer shall make an annual accounting of funds from Wireless Antenna Lease Proceeds at each annual town meeting. Any Wireless Antenna Lease Proceeds in excess of \$250,000 in any given fiscal year will be deposited into the available funds of the town and may be used for any purpose voted by the town.

Section 3. This act shall take effect upon its passage.

ARTICLE 33

HOME RULE LEGISLATION/WIRELESS ANTENNA LEASES

VOTED: (STANDING VOTE – 136 IN THE AFFIRMATIVE AND 6 IN THE NEGATIVE) (QUORUM PRESENT)

That the Town does hereby request and authorize the Board of Selectmen to file Home Rule Legislation to provide substantially as follows:

“AN ACT CONTINUING AUTHORIZATION FOR THE TOWN MANAGER IN THE TOWN OF ARLINGTON TO LEASE CERTAIN PARK LAND AND OTHER OPEN SPACES TO WIRELESS COMMUNICATIONS COMPANIES FOR THE ERECTION OF WIRELESS ANTENNAS OR OTHER RELATED APPURTENANT STRUCTURES.

SECTION 1. Notwithstanding the provisions of any general or special law to the contrary, including without limitation section 3 of chapter 40 of the General Laws and chapter 44 of the Acts of 1998, the town manager of the town of Arlington, on behalf of the town, may lease for a period not to exceed 20 years, the hereinafter described parcels of land or portions of buildings, including any appurtenant air rights, to wireless communications companies for the erection of wireless antennas or related structures, after compliance with chapter 30B of the General Laws, including that described portion of Hurd Field, presently dedicated to park and playground use, said properties to include the following:

- (1) Arlington High School, main building roof and cupola and a specific area within the building.
- (2) Hurd Field, said area to be identified and approved by the park and recreation commission.
- (3) Central Fire Station, located at 411 Massachusetts Avenue, hose tower, roof, and specific area within the building.

SECTION 2. Notwithstanding the provisions of any general or special law to the contrary, including without limitation, the provisions of section 3 of chapter 40 of the General Laws and chapter 44 of the Acts of 1998, all proceeds for lease or leases of property leased by the town of Arlington to telecommunication companies for the erection of wireless antennas or related structures shall be devoted to the care, maintenance, upkeep or enhancement of park, playgrounds, or other open space in town. The treasurer of the town of Arlington is hereby authorized to keep said proceeds in a separate account and may invest and reinvest same with any interest from same to be returned to said account. Any annual or special town meeting of the town of Arlington may appropriate said funds for such previously described use, but only for such use, unless by two-thirds vote of said town meeting, another use is voted. The town treasurer shall make an annual accounting of the funds in said account at each subsequent annual town meeting. Any rental proceeds in excess of \$250,000 in any given fiscal year will be deposited into the available funds of the town and be available for any purpose as voted by the town.

SECTION 3. This act shall take effect upon its passage.”

A true copy of the vote under

Article 33 of the Warrant for the

Annual Town Meeting of the

Town of Arlington at the session

held May 2, 2011.

ATTEST:

Town Clerk

		FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
ANTENNA RENTAL													
348-425900	Antenna Rental	59,142	88,808	78,026	66,217	145,630	43,838	68,647	142,784	87,234	190,252	150,960	138,859
348-5901	Transfer to Capital		107,000		150,000	100,000	140,000					300,000	110,000
Balance June 30th		137,505	119,313	197,339	113,556	159,185	63,023	131,670	274,453	361,687	551,940	402,900	431,759

*as of February 8, 2012